

HOUSE BILL No. 1079

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-4-31.

Synopsis: Taxpayer protection and development assistance. Requires the department of commerce to: (1) adopt a standardized form that must be completed by any person receiving at least \$5,000 in development assistance; (2) publish a report based on the forms; and (3) provide the report at no cost to the public. Requires the department to use existing resources and authorized but vacant staff positions to perform its duties.

Effective: July 1, 2003.

Cheney

January 7, 2003, read first time and referred to Committee on Commerce and Economic Development.

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Introduced

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1079

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-4-31 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]:

4 **Chapter 31. Taxpayer Protection and Development Assistance**
5 **Disclosure**

6 **Sec. 1. As used in this chapter, "department" means the**
7 **department of commerce.**

8 **Sec. 2. As used in this chapter, "development assistance" means**
9 **the following forms of public assistance provided by a granting**
10 **body to stimulate economic development of a specific corporation,**
11 **business, industry, geographic area, or part of the state's economy:**

- 12 (1) Tax deductions under IC 6-1.1-12.1.
13 (2) Loans and loan guarantees.
14 (3) Tax increment financing.
15 (4) Grants, including research and development grants.
16 (5) Land price subsidies.
17 (6) Infrastructure, the principal beneficiary of which is a

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single business or defined group of businesses at the time the infrastructure is built or improved.

(7) Matching funds.

(8) Inventory tax credits under IC 6-1.1-20.7.

Sec. 3. As used in this chapter, "granting body" means the state or a political subdivision that provides development assistance.

Sec. 4. As used in this chapter, "recipient" means a person who, after December 31, 2003, applied for and was awarded development assistance in an amount not less than five thousand dollars (\$5,000) under a program or fund operated or administered by a granting body.

Sec. 5. (a) The department shall, before January 1, 2004, adopt a standardized information form that must be completed by a person receiving development assistance under a program or fund operated or administered by a granting body. The standardized information form must be able to be optically scanned.

(b) The information form under this section must require at least the following information:

(1) A tracking number that is specific to each granting body and each recipient of development assistance.

(2) The name, street and mailing address, telephone number, and executive of the granting body.

(3) The name, street and mailing address, telephone number, and principal officers of the controlling entity of the recipient of development assistance.

(4) The name, street and mailing address, telephone number, four (4) digit standard industrial classification (SIC) number, and chief officer of the recipient of development assistance at any specific project site for which development assistance was awarded.

(5) The number of the recipient's full-time, part-time, and temporary employees who work at the specific project site for which development assistance was awarded.

(6) The number of full-time, part-time, and temporary employees who are employed in Indiana by the recipient's controlling entity or any subsidiary of the controlling entity on December 31 of the year preceding the date of the award of development assistance.

(7) The type and value of the development assistance awarded.

(8) The number of new full-time, part-time, and temporary jobs created by the award of development assistance.

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(9) The average hourly wage or salary paid to full-time, part-time, and temporary employees described in subdivision (6) during the first calendar year after those employees are hired.

(10) For an award of development assistance related to a specific project site located in a metropolitan statistical area (as defined by the United States Department of Commerce, Bureau of the Census), the average hourly wage paid in Indiana to nonmanagerial employees employed in the applicant's industry, as most recently provided by the United States Department of Labor, Bureau of Labor Statistics. The information required under this subdivision must be listed according to two (2) digit standard industrial classification (SIC) numbers or three (3) digit standard industrial classification (SIC) numbers, if that information is available.

(11) For an award of development assistance related to a specific project site that is not located in a metropolitan statistical area (as defined by the United States Department of Commerce, Bureau of the Census), the average weekly wage paid in the county in which the project is located, as most recently reported by the United States Department of Commerce in the "County Business Patterns" report or a similar report.

(12) A description of effects the recipient's use of the development assistance may have on employment at any site in a United States jurisdiction controlled by the recipient or the recipient's controlling entity, including any automation, consolidation, merger, acquisition, product line movement, business activity movement, or restructuring by either the recipient or the controlling entity.

(13) Individual certifications by the executives of the recipient and the granting body as to the accuracy of the information, under penalty of perjury.

(c) Beginning January 1, 2004, a recipient of development assistance must complete an information form under this section and submit the information form to the granting body from which the development assistance was awarded. The granting body shall forward a copy of each completed information form to the department.

(d) The department shall, before September 30 of each year, update the information form required by this section.

Sec. 6. (a) The department shall, before November 1 of each

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year, publish a report compiling and summarizing the information provided to the department under section 5 of this chapter.

(b) The report required by this section must include at least the following information:

(1) The amount of development assistance provided by all granting bodies.

(2) The amount of development assistance provided in various regions of the state.

(3) The distribution of development assistance by the amount of development assistance.

(4) The distribution of development assistance by type and by public purpose.

(c) The department shall make the following available in both print and electronic form at no cost to the public:

(1) The report published under this section.

(2) All information provided to the department under this chapter by a granting body or by a person receiving development assistance.

The report must achieve a minimum score of forty (40) on the Flesch reading ease test or an equivalent score on a comparable test approved by the director of the department. The report and information shall be made available at a centralized physical location as determined by the department and on the department's public information page on its world wide web Internet site established under IC 4-4-3-22.

Sec. 7. (a) A local government granting body that provides development assistance must, before September 1, file with the department a report listing the persons receiving development assistance who failed to provide the information required by section 5 of this chapter.

(b) If a local government granting body does not provide the department with the information required by this section before September 1, the department shall provide the local government granting body with notice that the information must be filed. If the local government granting body does not provide the department with the required information within fourteen (14) days after the notice is provided, the department:

(1) shall suspend any current development assistance activities under its control in the granting body's jurisdiction; and

(2) may not complete any current development assistance or provide any additional development assistance in the granting



1 body's jurisdiction;
2 until the granting body provides the information required by
3 section 5 of this chapter.

4 (c) The department shall provide information and assistance to
5 local government granting bodies concerning the granting bodies'
6 reporting requirements under this section.

7 Sec. 8. If a granting body or the department of commerce does
8 not enforce or carry out the requirements of this chapter, a person
9 who paid state income taxes or paid property taxes to a taxing unit
10 in the preceding year or any organization representing such a
11 person is entitled to bring a civil action to compel enforcement of
12 this chapter. In an action under this section, a court shall award
13 reasonable attorney's fees and actual incurred costs in pursuing the
14 action to a prevailing plaintiff or organization.

15 Sec. 9. The department shall use:

16 (1) existing staff and resources; and
17 (2) authorized but vacant staff positions;
18 to perform the duties of the department under this chapter.

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